

Office of the Secretary, Commerce

§ 29b.4

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SOURCE: 56 FR 15993, Apr. 19, 1991, unless otherwise noted.

§ 29b.1 Purpose.

This part establishes audit requirements and defines the Department's responsibilities for implementing and monitoring such requirements for institutions of higher education and other nonprofit organizations receiving Federal awards. The provisions of this part are effective April 19, 1991, and shall apply to audits of nonprofit institutions for fiscal years that begin on or after May 20, 1991.

§ 29b.2 Background.

This part sets forth audit requirements pursuant to Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations," which superseded the audit provisions of Attachment F, subparagraph 2h, of OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations."

§ 29b.3 Policy.

This part does not exempt institutions of higher education and other nonprofit organizations from maintaining records of financial assistance or from providing Federal agencies with access to such records as required by Federal law or OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations."

§ 29b.4 Definitions.

For purposes of this part, the following definitions apply:

Award means financial assistance, and Federal cost-type contracts used to buy services or goods for the use of the

Federal Government. It includes awards received directly from the Federal agencies or indirectly through recipients. It does not include procurement contracts to vendors under grants or contracts, used to buy goods or services. Audits of such vendors shall be covered by the terms and conditions of the contract.

Cognizant agency means the Federal agency assigned by OMB to carry out the responsibilities described in § 29b.6.

Coordinated audit approach means an audit wherein the independent auditor, and other Federal and non-Federal auditors consider each other's work in determining the nature, timing, and extent of his or her own auditing procedures. A coordinated audit must be conducted in accordance with "Government Auditing Standards," and meet the objectives and reporting requirements set forth in § 29b.15(b) and 29b.18, respectively. The objective of the coordinated audit approach is to minimize duplication of audit effort, but not to limit the scope of the audit work so as to preclude the independent auditor from meeting the objectives set forth in § 29b.15(b) or issuing the reports required in § 29b.18 in a timely manner.

Federal agency has the same meaning as the term 'agency' in section 551(1) of title 5, United States Code.

Federal financial assistance means assistance provided by a Federal agency to a recipient or sub-recipient to carry out a program. Such assistance may be in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, direct appropriations, or other non-cash assistance.

(1) Such assistance does not include direct Federal cash assistance to individuals.

(2) Such assistance does include awards received directly from Federal agencies, or indirectly when sub-recipients receive funds identified by recipients as Federal funds.

(3) The granting agency is responsible for identifying the source of funds awarded to recipients. Recipients are responsible for identifying the source of funds awarded to sub-recipients.